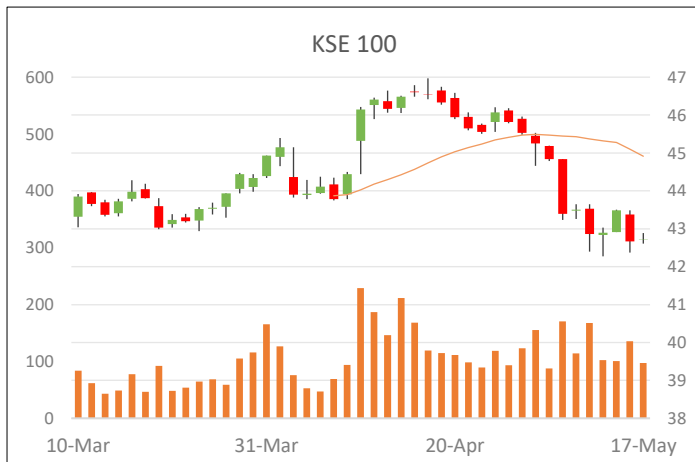


MORNING GLANCE



42,726	▲ 59	▲ 0.14%
97 mn	YTD -4.19%	1 Year -6.7%

ASIA	Value	Pts	Chg. (%)
NIFTY 50	16,259.30	417.00	2.63% ▲
DSE 30	2,363.66	2.25	0.09% ▼
SHANGHAI	3,082.12	11.58	0.37% ▼
Hang Seng	20,481.00	121.52	0.59% ▼
Nikkei 225	26,835.50	175.75	0.66% ▲

EUROPE	Value	Pts	Chg. (%)
FTSE 100	7,518.35	53.55	0.72% ▲
DAX 30	14,185.94	221.56	1.59% ▲

USA	Value	Pts	Chg. (%)
DOW JONES	32,654.59	431.17	1.34% ▲
S&P 500	4,088.85	80.84	2.02% ▲
NASDAQ	12,564.10	320.52	2.62% ▲

Commodities	Value	Chg.	Chg. (%)
Gold (t oz.)	1,807.63	11.27	0.62% ▼
Oil-WTI (bbl)	110.53	0.90	0.82% ▲

Currencies	Value	Chg.	Chg. (%)
USD/PKR	195.60	2.50	1.29% ▲
EURO/PKR	204.30	3.41	1.70% ▲
GBP/PKR	241.46	5.00	2.11% ▲
AED/PKR	53.21	0.67	1.28% ▲

Source: dps.psx.com.pk, investing.com, forex.com

Market Outlook

KSE-100 on Tuesday remained volatile throughout the day and concluded the session a bit above its previous close amid political and economic unrest. The index made an intra-day high and low at 42,884 (217 points) and 42,607 (-60.17 points) respectively while closed at 42,726 by gaining 59 points. Trading volume has decreased to 97mn shares as compared to 136mn shares on the previous day. Going forward, the market is likely to remain volatile amid prevailing financial instability and political uncertainty in the country. The support for the index resides at 42,000. Breaking this level can further drag the index towards 41,000. However, the resistance for the index resides at 42,800.

Key News

International

Asian Stocks Up, but Japanese GDP Disappoints

Asia Pacific stocks were mostly up on Wednesday morning, extending a rally in step with U.S. counterparts. However, Treasuries held most of a slide as investors continue to digest hawkish comments from U.S. Federal Reserve Chairman Jerome Powell. Japan's Nikkei 225 rose 0.71% by 10:39 PM ET (2:39 AM GMT). Data released earlier in the day showed that the GDP contracted [see more...](#)

Oil prices climb on hopes of China demand recovery

Oil prices rose more than \$1 a barrel in early Asian trade on Wednesday on hopes of demand recovery in China as the country gradually eases some of its strict COVID-19 containment measures. Brent crude futures were up \$1.15, or 1.0%, at \$113.08 a barrel at 0042 GMT, while U.S. West Texas Intermediate (WTI) crude futures climbed \$1.62, or 1.4%, \$114.02 a barrel, [see more...](#)

Politics

Allies want govt to stay in power till Aug next year

The government's coalition partners on Tuesday decided that the current setup would complete its term that ends in August 2023 and supported 'tough' decisions to revive the crippling economy. The meeting insisted that the decision of the ruling coalition would be shared with the military [see more...](#)

Economy

MPC meeting: Majority polled expect major spike in policy rate - Neutral

A majority of market participants expect a major hike in the policy rate in the upcoming Monetary Policy Committee (MPC) meeting of the State Bank of Pakistan (SBP) scheduled for May 23, according to a poll conducted by brokerage house Arif Habib Limited (AHL). The brokerage house, which itself expects the SBP to increase the policy rate by 100bps to 13.25%, conducted a poll in which it took feedback from various sectors - both financial and non-financial - on expectations over the Monetary Policy Statement. [see more...](#)

MORNING GLANCE

Pakistan set to achieve 6pc GDP growth this year - Neutral

Pakistan is all set to achieve GDP growth in the range of approximately 6 per cent for the current fiscal year mainly because of the improved contribution of industrial and services sectors. Amid lingering differences between the Ministry of Finance and the Ministry of Planning over the measurement of provisional Gross Domestic Product (GDP) figures, the government is likely to calculate the GDP growth hovering in the range of 5.7 per cent to 6.2 per cent for the current fiscal [see more...](#)

Govt to raise Rs4.05tn via treasury auctions - Neutral

The government aims to raise Rs4.050 trillion through the auction of Market Treasury Bills (MTBs), Pakistan Investment Bonds (PIBs), and Sukuk in May-July period to meet its financing needs, the central bank said on Tuesday. The government will borrow Rs4.050 trillion from the auctions of MTBs, while it also plans to fetch Rs900 billion via the sale of fixed and floating rate PIBs, according to an auction calendar released by the central [see more...](#)

Rupee sinks for ninth successive session, closes at 195.74 in inter-bank trading - Negative

The local currency sustained a downtrend for the ninth consecutive session on Tuesday as the rupee closed at an all-time low of Rs195.74 against the greenback in the inter-bank market. The devaluation was fuelled by economic and political uncertainty and lack of clarity on revival of the \$6 billion International Monetary Fund programme. In addition, the government's decision to keep local oil prices unchanged signalled an [see more...](#)

Cnergyico Refinery shut down on cash flow concerns - Negative

Cnergyico Refinery (formerly Byco Refinery) has shut down its operation following serious cash flow problems in buying expensive crude oil from the international market, The News learnt on Tuesday. A top executive of the company also confirmed that refinery operations have been closed down for the last one week. However, the refinery would resume its operations in a day or two after the arrival of crude oil. [see more...](#)

PD all set to share 'reform plan' with IMF - Neutral

Power Division is all set to share its 'power sector reforms plan' with the International Monetary Fund (IMF) on Wednesday (today) including a commitment to increase about Rs 7 per unit in tariff, a mix of base tariff, QTAs and FCAs under the 7th Review Extended Fund Facility (EFF), well informed sources told Business Recorder. Minister for Power Khurram Dastgir Khan and Additional Secretary Incharge Rashid [see more...](#)

Maple Leaf to buy back its shares to arrest decline in stock price: PSX - Neutral

Maple Leaf Cement Factory Limited (MLCF) by way of Special Resolution have accorded approval to the Company to purchase/buy-back of its own shares through Pakistan Stock Exchange Limited upto a maximum of 25 million issued ordinary shares of the face value of Rs. 10/- (Rupees Ten) according to the company filling to the exchange. [see more...](#)

Govt allows import of 0.2MMTs of urea - Positive

The federal government has allowed import of 0.2 million metric tons of urea on G2G and deferred payment basis, official sources told Business Recorder. Sharing the details, sources said that the Ministry of Industries and Production (Mol&P) informed the Economic Coordination Committee (ECC) of the Cabinet on May 16, 2022 that Fertilizer Review Committee (FRC) while reviewing demand/supply position of urea fertilizer in the country during Kharif season [see more...](#)

Telecom industry attracts \$6.1bn FDI in less than 4 years - Neutral

The telecommunication industry attracted foreign direct investment of \$6.1 billion during July 1, 2018, to March 30, 2022, said Federal Minister for IT and Telecommunication Syed Aminul Haque. On the occasion of "World Telecommunication and Information Society Day", the Federal Minister for IT said that the number of active [see more...](#)

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DEFINITION OF TERMS

TP	Target Price	DDM	Dividend Discount Model	FCF	Free Cash Flows
FCFE	Free Cash Flows to Equity	FCFF	Free Cash Flows to Firm	DCF	Discounted Cash Flows
PE	Price to Earnings Ratio	PB	Price to Book Ratio	BVPS	Book Value Per Share
EPS	Earnings Per Share	DPS	Dividend Per Share	ROE	Return of Equity
ROA	Return on Assets	SOTP	Sum of the Parts	JPB	Justified Price to Book

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- II. Dividend Discount Model
- III. Relative Valuation Model
- IV. Sum of Parts Valuation

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Stock Rating	Expected Total Return	Sector Rating	Sector Outlook
BUY	Greater than 15%	Overweight	Positive
HOLD	Between -5% to 15%	Market Weight	Neutral
SELL	Less than and equal to -5%	Underweight	Negative

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The Research Analyst is not and was not involved in issuing of a research report on any of the subject company's associated companies

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